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**FLORIDA T.L.C. CHILD CARE, INC.**

**FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2014**

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**FLORIDA T.L.C. CHILD CARE, INC.**  
**FINANCIAL STATEMENTS**  
**WITH SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2014**

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**FLORIDA T.L.C. CHILD CARE, INC.  
FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2014**

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**MARY SUE STAGES, CPA**  
**A PROFESSIONAL ACCOUNTING CORPORATION**

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*American Institute of Certified Public Accountants*  
*Association of Governmental Accountants*  
*Governmental Audit Quality Control Center*

**INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees of  
Florida T.L.C. Child Care, Inc.  
P. O. Box 477  
Franklinton, Louisiana 70438

***Report on the Financial Statements***

We have audited the accompanying financial statements of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc. (a non-profit organization), which comprise the statement of financial position as of September 30, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinions***

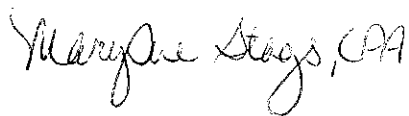
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc. as of September 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters – Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses, schedule of compensation, benefits and other payments to agency head and schedule of meals served and program reimbursements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the audited statement of claims as required by the Louisiana Department of Education, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2015, on our consideration of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s internal control over financial reporting and compliance.



Mary Sue Stages, CPA  
A Professional Accounting Corporation  
Baker, LA  
March 19, 2015

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## **FINANCIAL STATEMENTS**

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**FLORIDA T.L.C. CHILD CARE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2014**

	<u>Administrative</u>	<u>General</u>	<u>Eliminations</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Current Assets				
Cash and cash equivalents	\$ 14,676.50	\$ 529.56	\$ -	\$ 15,206.06
Due from Department of Education	60,759.05	-	-	60,759.05
Due from Administrative Fund	-	9,600.00	(9,600.00)	-
				-
Total Current Assets/Total Assets	75,435.55	10,129.56	(9,600.00)	75,965.11
<b><u>LIABILITIES AND NET ASSETS</u></b>				
Current Liabilities				
Accounts payable - trade	6,349.03	-	-	6,349.03
Payroll related payables	2,080.62	-	-	2,080.62
Accrued salaries payable	5,300.47	-	-	5,300.47
Due to Director	683.70	-	-	683.70
Due to providers	49,464.05	-	-	49,464.05
Due to General Fund	9,600.00	-	(9,600.00)	-
Total Current Liabilities/ Total Liabilities	73,477.87	-	(9,600.00)	63,877.87
Net Assets	1,957.68	10,129.56	-	12,087.24
Total Liabilities and Net Assets	75,435.55	10,129.56	(9,600.00)	75,965.11

See Accompanying Notes and Independent Auditors' Report

**FLORIDA T.L.C. CHILD CARE, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2014**

	<u>Administrative</u>	<u>General</u>	<u>Total</u>
<b><u>UNRESTRICTED NET ASSETS</u></b>			
<b>SUPPORT AND OTHER GAINS</b>			
Administrative reimbursement	\$ 136,328.00	\$ -	\$ 136,328.00
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>			
Restrictions satisfied by payments	623,299.00	-	623,299.00
	<hr/>	<hr/>	<hr/>
Total Support, Other Gains and Reclassifications	759,627.00	-	759,627.00
<b>EXPENSES</b>			
Program services	624,324.00	107.84	624,431.84
Supporting services	133,157.34	406.28	133,563.62
	<hr/>	<hr/>	<hr/>
Total Expenses	757,481.34	514.12	757,995.46
	<hr/>	<hr/>	<hr/>
Increase (Decrease) In Unrestricted Net Assets	2,145.66	(514.12)	1,631.54
<b><u>TEMPORARILY RESTRICTED NET ASSETS</u></b>			
Support from meal reimbursements	623,299.00	-	623,299.00
Net assets released from restrictions:			
Restrictions satisfied by payments	(623,299.00)	-	(623,299.00)
	<hr/>	<hr/>	<hr/>
Increase In Temporarily Restricted Net Assets	-	-	-
	<hr/>	<hr/>	<hr/>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	2,145.66	(514.12)	1,631.54
<b>NET ASSETS (DEFICIT), BEGINNING</b>	(187.98)	10,643.68	10,455.70
	<hr/>	<hr/>	<hr/>
<b>NET ASSETS, ENDING</b>	1,957.68	10,129.56	12,087.24
	<hr/>	<hr/>	<hr/>

See Accompanying Notes and Independent Auditors' Report



**FLORIDA T.L.C. CHILD CARE, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2014**

	<u>Administrative</u>	<u>General</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from administrative reimbursements	\$ 136,175.00	\$ -	\$ 136,175.00
Cash received from program reimbursements - meals	619,356.49	-	619,356.49
Cash paid for program expenses	(620,462.49)	(107.84)	(620,570.33)
Cash paid to or on behalf of employees for services	(94,506.18)	-	(94,506.18)
Cash paid to suppliers for goods and services	(39,359.60)	(406.28)	(39,765.88)
Net Cash Provided by (Used for) Operating Activities	1,203.22	(514.12)	689.10
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	-	-	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,203.22	(514.12)	689.10
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	13,473.28	1,043.68	14,516.96
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	14,676.50	529.56	15,206.06
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>			
Change in net assets	\$ 2,145.66	\$ (514.12)	\$ 1,631.54
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used for) Operating Activities:			
(Increase) decrease in assets:			
Due to/from Department of Education	(4,095.51)	-	(4,095.51)
Due from Director	(33.36)	-	(33.36)
Increase (decrease) in liabilities:			
Accounts payable - trade	(815.03)	-	(815.03)
Payroll related payables	(200.95)	-	(200.95)
Accrued salaries payable	340.90	-	340.90
Due to providers	3,861.51	-	3,861.51
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	1,203.22	(514.12)	689.10

See Accompanying Notes and Independent Auditors' Report

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## **NOTES TO FINANCIAL STATEMENTS**

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**FLORIDA T.L.C. CHILD CARE, INC.**  
**INDEX TO NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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**FLORIDA T.L.C. CHILD CARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Family Day Care Home Program of Florida T.L.C. Child Care, Inc. (hereafter referred to as the Organization) was established to provide supervised provisions of meals. It serves an average of 121 homes per month to primarily low-income, disabled, elderly or other disadvantaged residents of Washington and nearby parishes. It engages in the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226.

It operates on a fiscal year ending on September 30<sup>th</sup>, and its significant accounting policies are as follows:

**Cash and Cash Equivalents**

Cash and cash equivalents consist of demand deposits. For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Receivables**

Accounts receivable are stated at net realizable value. The Organization maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers/vendors to make required payments. Because collection is expected at 100%, an allowance for doubtful accounts has not been recorded.

**Inventory**

Inventory is stated at cost. It includes only office supplies and printed materials, the amount of which is considered immaterial. Therefore, the acquisition of these items is expensed when purchased, and the inventory on hand at year-end is not reported in the accompanying

**Property and Equipment**

Property and equipment purchased by the Organization is recorded at cost. They are depreciated using the straight-line method over the estimated useful lives of the assets. Equipment with an original cost of \$500 or greater is generally capitalized. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

**Support and Expenses**

The Organization reports administrative and program reimbursements on the accrual basis of accounting. The amounts due to providers are also reported on the accrual basis of accounting. A donor restriction applies to the program reimbursement, and the amount is shown as temporarily restricted net assets. When the donor restriction expires, that is, when the stipulated restriction ends

**FLORIDA T.L.C. CHILD CARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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by payments to the providers, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted reimbursements whose restrictions are met in the same reporting period are reported as unrestricted support.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. Advertising costs are expensed as incurred. These totaled \$45 during the current year.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Financial Statement Presentation**

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117 *"Financial Statement of Not-For-Profit Organization."* Under SFAS No. 117, the Organization is required to report information regarding its net assets and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by this new statement, the Organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect in the year this standard was adopted (1998).

**Income Taxes**

The Organization is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The federal income tax returns of the company for fiscal years 2011, 2012, 2013 and 2014 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following:

Demand deposits	\$ <u>15,206.06</u>
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Of this amount, \$14,676.50 is maintained in the administrative and provider accounts to be utilized for the family day care home program. The remaining funds are held by the General Fund and can be utilized at the discretion of management.

**FLORIDA T.L.C. CHILD CARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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**NOTE 3 – RECEIVABLES**

Receivables are stated at the amount the Organization expects to collect. Management considers all receivables to be collectible at year-end.

Receivables at year-end consist of the following:

Due from Department of Education	\$ <u>60,759.05</u>
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**NOTE 4 – ACCOUNTS AND OTHER PAYABLES**

Payables at year-end include the following:

Trade	\$ 6,349.03
Payroll and related	2,080.62
Salaries	5,300.47
Director	683.70
Providers	<u>49,464.05</u>
 Total	 <u>63,877.87</u>

Amounts due to and from the administrative and general funds were eliminated in the accompanying financial statements.

**NOTE 5 – RESTRICTIONS ON NET ASSETS**

Substantially all of the restrictions on net assets relate to amounts requested from the State of Louisiana, Department of Education for reimbursement to the providers of meals through the Family Day Care Home Program of the U. S. Department of Agriculture Food and Nutrition Services under 7 CFR Part 226. The amount due to providers requested but not yet received at year end has been accrued in the accompanying financial statements and is listed in the note above.

**NOTE 6 – NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose during the year as follows:

Purpose restriction accomplished:

Meals provided	\$ <u>623,299.00</u>
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**FLORIDA T.L.C. CHILD CARE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2014**

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**NOTE 7 – FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the program and supporting services have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated between the program and supporting services.

**NOTE 8– CONCENTRATIONS**

*Receivables and Revenues.* All receivables recorded are due from the Louisiana Department of Education, Division of Nutrition Assistance. Approximately 99% of the Organization's support is paid by the Department of Education, State of Louisiana through the U.S. Department of Agriculture Food and Nutrition Services, Family Day Care Home Program, under 7 CFR Part 226.

*Geographical Market.* The Organization is approved to operate in the parishes of Livingston, St. Helena, St. Tammany, Tangipahoa and Washington. Volume is dependent on the willing and eligible providers in these areas.

**NOTE 9 – LITIGATION**

We are not aware of any pending or threatened litigation, claims or assessments that are required to be accrued or disclosed in this financial report.

**NOTE 10 – SUBSEQUENT EVENTS**

There were no subsequent events between the close of the fiscal year and March 19, 2015, the date on which the financial statements were available to be issued, that would materially impact the accompanying financial statements.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**FLORIDA T.L.C. CHILD CARE, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2014**

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<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<b>Major Programs</b>		
U. S. Department of Agriculture Food and Nutrition Services Child and Adult Care Food Program	10.558	
<i>Family Day Care Home Program</i>		
Pass-Through State of Louisiana, Department of Education Division of Nutrition		
Program services: Meals/Snacks		\$ 620,462.49
Supporting services		<u>133,865.78</u>
Total Federal Award Expenditures		<u><u>754,328.27</u></u>

**Notes to Schedules of Expenditures of Federal Awards**  
**Year Ended September 30, 2014**

**Basis of Presentation**

This schedule of expenditures of federal awards includes the federal grant activity of the Family Day Care Home Program and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

See Independent Auditors' Report

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## **SUPPLEMENTARY INFORMATION**

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**FLORIDA T.L.C. CHILD CARE, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**ADMINISTRATIVE FUND**  
**YEAR ENDED SEPTEMBER 30, 2014**

<u>Account Name</u>	<u>Program</u>	<u>Supporting</u>
Accounting fees	\$ -	\$ 5,351.25
Advertising/promotion	-	45.00
Insurance	-	186.50
Janitorial services/supplies	-	1,300.00
Minute Menu	1,025.00	-
Office rent	-	6,000.00
Office supplies	-	4,611.13
Postage	-	911.33
Professional fees	-	2,810.00
Provider payments	623,299.00	-
Provider training/assistance	-	250.00
Repairs and maintenance	-	65.00
Salaries	-	88,020.94
Taxes - payroll	-	6,625.19
Telephone	-	7,567.79
Travel - use of auto	-	8,477.60
Utilities	-	935.61
Total Functional Expenses	<u>624,324.00</u>	<u>133,157.34</u>

See Independent Auditors' Report

**MARY SUE STAGES, CPA**  
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*Louisiana Society of Certified Public Accountants*  
*American Institute of Certified Public Accountants*  
*Association of Governmental Accountants*  
*Governmental Audit Quality Control Center*

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees of  
Florida T.L.C. Child Care, Inc.  
P. O. Box 477  
Franklinton, Louisiana 70438

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc., as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s basic financial statements, and have issued our report thereon dated March 19, 2015.

***Internal Control over Financial Reporting***

In planning and performing our audit, we considered the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented

or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s, financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, others within the agency, the Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA  
A Professional Accounting Corporation  
Baker, LA  
March 19, 2015

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Governmental Audit Quality Control Center*

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Trustees of  
Florida T.L.C. Child Care, Inc.  
P. O. Box 477  
Franklinton, Louisiana 70438

***Report on Compliance for Each Major Federal Program***

We have audited the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended September 30, 2014. Florida T.L.C. Child Care, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.'s compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc. However, our audit does not provide a legal determination of Florida T.L.C. Child Care, Inc.'s compliance.

***Opinion on Each Major Federal Program***

In our opinion, Florida T.L.C. Child Care, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2014.

***Report on Internal Control Over Compliance***

Management of Florida T.L.C. Child Care, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Florida T.L.C. Child Care, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *OMB Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Florida T.L.C. Child Care, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirement of *OMB Circular A-133*. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management, others within the agency, the Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA  
A Professional Accounting Corporation  
Baker, LA  
March 19, 2015

**FLORIDA T.L.C. CHILD CARE, INC.**  
**SCHEDULE OF COMPENSATION, BENEFITS**  
**AND OTHER PAYMENTS TO AGENCY HEAD**  
**YEAR ENDED SEPTEMBER 30, 2014**

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**Agency Head**

Bridget Woodward  
Executive Director

**Purpose**

**Amount**

Salary	\$ 47,839.94
Benefits - retirement (FICA)	2,966.08
Travel - monitoring visits	<u>3,489.20</u>

Total Compensation, Benefits and Other Payments	<u><u>54,295.22</u></u>
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See Independent Auditors' Report



**FLORIDA T.L.C. CHILD CARE, INC.**  
**AUDITED STATEMENT OF CLAIMS**  
**YEAR ENDED SEPTEMBER 30, 2014**

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**REIMBURSEMENT PER AUDIT**

Administrative	\$ 136,328.00
Program - meals	<u>623,299.00</u>

Total Reimbursement Per Audit	759,627.00
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**REIMBURSEMENTS CLAIMED AND RECEIVED**

Administrative	136,328.00
Program - meals	<u>623,299.00</u>

Total Reimbursement Claimed and Received	<u>759,627.00</u>
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**(OVER) UNDER CLAIM**

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See Independent Auditors' Report

**FLORIDA T.L.C. CHILD CARE, INC.**  
**SCHEDULE OF MEALS SERVED AND PROGRAM REIMBURSEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2014**

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NUMBER SERVED BY MEAL TYPE						
MEALS SERVED	Breakfast	Lunch	Supplements	Supper	Total	
FROM OCTOBER 1, 2013 TO JUNE 30, 2014						
Tier 1	40,283	44,161	98,681	95,458	278,583	
Reimbursement rate	\$ 1.28	\$ 2.40	\$ 0.71	\$ 2.40		
Total for period	\$ 51,562.24	\$ 105,986.40	\$ 70,063.51	\$ 229,099.20	\$ 456,711.35	
FROM JULY 1, 2014 TO SEPTEMBER 30, 2014						
Tier 1	11,407	18,473	33,878	32,909	96,667	
Reimbursement rate	\$ 1.31	\$ 2.47	\$ 0.73	\$ 2.47		
Total for period	\$ 14,943.17	\$ 45,628.31	\$ 24,730.94	\$ 81,285.23	\$ 166,587.65	
TOTAL MEALS SERVED	51,690	62,634	132,559	128,367	375,250	
TOTAL REIMBURSEMENT	\$ 66,505.41	\$ 151,614.71	\$ 94,794.45	\$ 310,384.43	\$ 623,299.00	

See Independent Auditors' Report

**FLORIDA T.L.C. CHILD CARE, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED SEPTEMBER 30, 2014**

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**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unmodified opinion on the financial statements of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc.
2. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of the Family Day Care Home Program of Florida T.L.C. Child Care, Inc. were disclosed during the audit.
4. No significant deficiencies or material weaknesses were identified during the audit of the major federal award program.
5. The auditor's report on compliance for the major federal award programs for Florida T.L.C. Child Care, Inc. expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs included: U.S. Department of Agriculture Food and Nutrition Services, Child and Adult Care Food Program (10.558).
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Florida T.L.C. Child Care, Inc. was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAM  
AUDIT**

None

**MANAGEMENT LETTER**

None

**FLORIDA T.L.C. CHILD CARE, INC.**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**YEAR ENDED SEPTEMBER 30, 2014**

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**Section I      Financial Statement Findings**

None

**Section II      Major Federal Awards Program Findings**

None

**Section III      Management Letter**

N/A